May 2007

PERSPECTIVES

ON LABOUR AND INCOME

Gambling

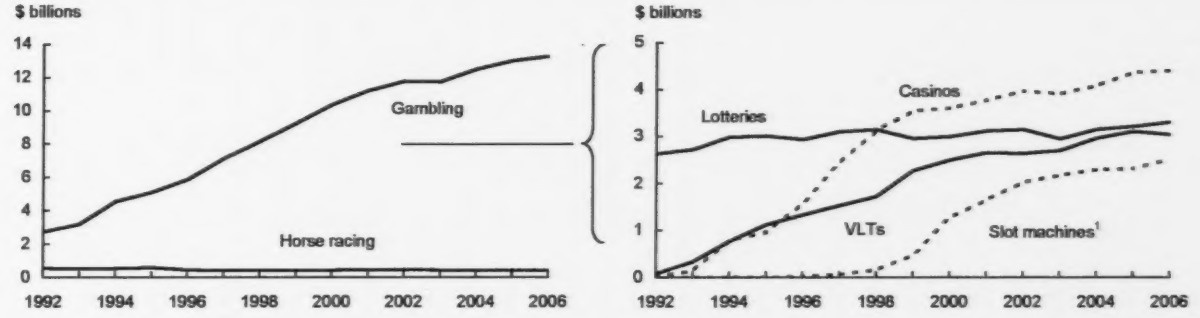
- Net revenue from government-run lotteries, video lottery terminals (VLTs), and casinos rose from $2.7 billion in 1992 to 13.3 billion in 2006.[1]
- Net revenue from pari-mutuel betting (horse racing) dropped from $532 million to $387 million over the same period (1992 to 2006).
- In 2006, lotteries accounted for 25% of all net non-charity gambling revenue, casinos 33%, VLTs 23%, and slot machines not in casinos 19%.
- Average gambling revenue per person 18 and over in 2005 ranged from $111 in the three territories to $750 in Alberta, with a national average of $513.[2]
- Compared with workers in non-gambling industries, those in gambling were more likely to be women (54% versus 47%), paid by the hour (79% versus 65%), and paid less ($18 hourly versus $20) and receiving tips at their job (30% versus 7%).
- Employment in the gambling industry rose from 11,000 in 1992 to 40,000 in 2006.
- One in seven women and men living alone reported spending money on casinos, slot machines or VLTs; however, the men spent more than three times as much as the women—$1,396 compared with $434.[3]
- Gambling participation and expenditure rates increased with household income. For example, 57% of households with incomes of less than $20,000 gambled in 2005 and spent an average of $491, while equivalent figures for those with incomes of $80,000 or more were 75% and $618.

For further information on any of these data, contact Katherine Marshall, Labour and Household Surveys Analysis Division. She can be reached at 613-951-6890 or katherine.marshall@statcan.ca.

Statistics Canada Statistique Canada

Canada

Net revenue from government-run gambling has increased steadily



1 Refers to ones found outside government-run casinos.
Source: National Accounts

Gambling revenues and profits

	Gambling revenue[1]		Gambling profit[2]		Share of total revenue[3]		Revenue per capita (18+)[4]	
	1992	2005	1992	2005	1992	2005	1992	2005
	$ millions (current)				%		$	
Canada	**2,734**	**12,984**	**1,680**	**7,101**	**1.9**	**5.5**	**128**	**513**
Newfoundland and Labrador	80	205	42	109	2.3	5.2	189	496
Prince Edward Island	20	37	7	15	2.7	3.4	209	344
Nova Scotia	125	362	72	169	2.8	5.4	180	485
New Brunswick	117	211	49	117	2.7	3.5	209	351
Quebec	693	2,961	472	1,618	1.8	4.9	128	489
Ontario	853	4,745	529	2,016	1.9	6.0	106	485
Manitoba	153	556	105	318	2.5	5.9	186	623
Saskatchewan	62	490	39	311	1.1	5.6	86	653
Alberta	225	1,882	125	1,513	1.6	6.3	118	750
British Columbia	403	1,528	239	909	2.2	5.1	153	450
Yukon, Northwest Territories and Nunavut	5	8	1	6	0.3	0.3	82	111

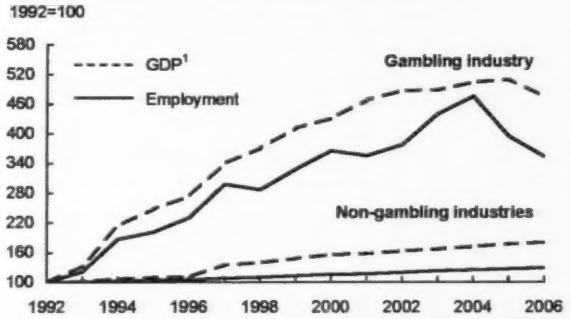
1 Total revenue from wagers on government-controlled lotteries, casinos and VLTs, minus prizes and winnings.
2 Net income of provincal governments from total gambling revenue, less operating and other expenses (see *Data sources and definitions*).
3 The 2005 share of total revenue calculation is based on 2005 gambling revenue and 2004 total provincial revenue. The 2005 provincial revenue will be available autumn 2007.
4 Persons 18 and over were selected as this is the legal age of gambling in most provinces.
Sources: National Accounts, Public Institutions (Financial management statistics) and post-censal population estimates.

Characteristics of workers

	Gambling		Non-gambling	
	1992	2006	1992	2006
		'000		
Total employed	**11**	**40**	**12,720**	**16,444**
		%		
Sex				
Men	35	46	55	53
Women	65	54	45	47
Age				
15 to 34	57	40	45	37
35 and over	43	60	55	63
Education				
High school or less	66	50	57	42
Postsecondary certificate or diploma	21	36	27	35
University degree	13	14	16	23
Work status				
Full-time	60	84	81	82
Part-time	40	16	19	18
Provinces				
Atlantic provinces	8	4	7	7
Quebec	F	13	24	23
Ontario	28	46	39	39
Prairie provinces	30	19	17	18
British Columbia	25	19	13	13
Class of worker				
Employee	99	99	85	85
Self-employed	F	F	15	15

Source: Labour Force Survey

Gambling outpaced other industries



1 The price, at basic prices, of the goods and services produced. The GDP figures for the gambling industry refer strictly to wagering activities, such as lottery ticket sales, VLT receipt sales, and bets at casinos. Other economic spinoffs, such as hotel and restaurant business, security services, or building and equipment maintenance are not included.

Sources: Labour Force Survey; National Accounts

Characteristics of jobs

	Gambling		Non-gambling	
	1997	2006	1997	2006
			'000	
Employees[1]	**33**	**40**	**11,323**	**13,947**
			%	
Unionized[2]	29	26	34	32
Non-unionized	71	74	66	68
Permanent job	91	92	89	87
Temporary job	9	8	11	13
Usually receive tips	27	30	7	7
No tips	73	70	93	93
Paid by the hour	80	79	61	65
Not paid hourly	20	21	39	35
Average hourly earnings[3]			$	
Men: full-time	13.51	20.37	17.83	22.44
Women: full-time	13.04	17.40	14.79	19.20

1 More detailed questions on employees were introduced with the 1997 revision of the Labour Force Survey.
2 Includes persons who are not union members, but whose jobs are covered by collective agreements.
3 Includes tips and commissions.
Source: Labour Force Survey

Household expenditures on gambling activities

	At least one gambling activity		Government lotteries		Other lotteries/raffles, etc.		Casinos, slot machines and VLTs		Bingos	
	$	%	$	%	$	%	$	%	$	%
All households										
2000	492	74	245	64	84	31	546	21	743	9
2001	513	72	257	62	98	30	554	20	815	9
2002	570	73	263	63	129	30	679	21	905	8
2003	506	74	243	66	96	29	670	19	799	8
2004	514	71	265	61	101	28	664	19	805	6
2005	549	69	254	61	142	27	720	18	963	6
One-person households[1]	534	61	218	51	256	19	842	14	829	6
Men	763	61	297	54	573	17	1,396	14	487	3
18 to 44	771	59	208	51	147	15	1,848	17	733	1
45 to 64	881	66	317	61	1,155	20	1,154	13	238	2
65 and over	512	58	446	48	124	15	275	10	563	7
Women	369	61	155	49	64	20	434	14	906	8
18 to 44	322	61	109	50	53	27	259	14	2,263	4
45 to 64	316	65	151	54	62	20	562	12	599	8
65 and over	435	58	187	45	76	16	466	15	769	11
All households										
Newfoundland and Labrador	487	68	268	59	87	35	544	8	751	13
Prince Edward Island	513	71	266	53	93	45	415	13	1,223	10
Nova Scotia	620	74	278	62	85	41	1,164	16	691	10
New Brunswick	451	70	256	62	70	37	327	11	1,001	10
Quebec	428	73	243	68	253	15	559	13	553	6
Ontario	603	68	266	59	128	27	654	21	1,298	6
Manitoba	676	69	266	54	71	34	990	22	833	10
Saskatchewan	517	73	230	58	100	48	693	24	457	6
Alberta	576	66	225	53	150	38	817	18	1,114	6
British Columbia	608	68	258	60	146	26	964	19	968	4
Income after tax										
Less than $20,000	491	57	190	47	77	12	840	11	899	10
$20,000 to $39,999	539	66	244	58	228	20	673	15	1,044	7
$40,000 to $59,999	527	73	262	65	111	29	576	19	1,314	6
$60,000 to $79,999	555	74	285	65	104	34	738	20	783	6
$80,000 and over	618	75	270	65	148	39	836	24	578	5

1 Using one-person households allows examination of individual characteristics. Persons 18 and over were selected as this is the legal age for gambling in most provinces.

Note: Expenditures are per spending household. Unless otherwise indicated, figures are for 2005.

Source: Survey of Household Spending

Data sources and definitions

Labour Force Survey: a monthly household survey that collects information on labour market activity, including detailed occupational and industrial classifications, from all persons 15 years and over.

National Accounts: The quarterly Income and Expenditure Accounts (IEA) is one of several programs constituting the System of National Accounts. The IEA produces detailed annual and quarterly income and expenditure accounts for all sectors of the Canadian economy, namely households, businesses, governments and non-residents.

Survey of Household Spending (SHS): an annual survey that began in 1997 and replaced the Family Expenditure Survey and the Household Facilities and Equipment Survey. The SHS collects data on expenditures, income, household facilities and equipment, and other characteristics of families and individuals living in private households.

Gambling industries: This industry group covers establishments primarily engaged in operating gambling facilities, such as casinos, bingo halls and video gaming terminals; or providing gambling services, such as lotteries and off-track betting. It excludes horse race tracks and hotels, bars and restaurants that have casinos or gambling machines on the premises.

Gambling profit: net income from provincial and territorial government-run lotteries, casinos and VLTs, after prizes and winnings, operating expenses (including wages and salaries), payments to the federal government and other overhead costs are deducted.

Gambling revenue: all money wagered on provincial and territorial government-run lotteries, casinos and VLTs, less prizes and winnings. Gambling revenue generated by and for charities and on Indian reserves is excluded.

Government casino: a government-regulated commercial casino. Permits, licences and regulations for casinos, both charity and government, vary by province. Government casinos, now permitted in several provinces, also vary by the degree of public and private involvement in their operations and management. Some government casinos are run entirely as Crown corporations, while others contract some operations—for example, maintenance, management or services—to the private sector.

Video lottery terminal (VLT): a coin-operated, free-standing, electronic game of chance. Winnings are paid out through receipts that are turned in for cash, as opposed to cash payments from slot machines. Such terminals are regulated by provincial lottery corporations.

Household expenditure on all gambling activities by income groups, 2005

	Average expenditure			Gaming as % of total income	
	All households	Reporting households	Percentage reporting	All households	Reporting households
	$	$	%	%	%
Income after tax	**380**	**549**	**69**	**0.6**	**0.8**
Less than $20,000	277	491	57	2.0	3.6
$20,000 to $39,999	358	539	66	1.2	1.8
$40,000 to $59,999	383	527	73	0.8	1.1
$60,000 to $79,999	412	555	74	0.6	0.8
$80,000 and over	465	618	75	0.4	0.5

Source: Survey of Household Spending

■ Notes

1 Refers to total money wagered on non-charity lotteries, casinos and VLTs, minus prizes and winnings.

2 Survey of Household Spending (SHS) and National Accounts rankings of provincial expenditures differ, in part because the SHS includes both charity and non-charity gambling activity.

3 The expenditure figures are not adjusted for any winnings. As well, households consistently under-report the amount of money they spend on gambling. Comparisons with Lottery Corporation figures, for example, have shown that households under-report their government lottery purchases by more than 50%.